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BEFORE THE ARIZONA CORPORATIO

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2013 NOV 12 P 2:18

Arizona Corporation Commission

DOCKETED

NOV 12 2013

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

AZ CORP COMMISSION  
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IN THE MATTER OF THE APPLICATION OF  
NEW RIVER UTILITY COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE FAIR VALUE  
OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN  
ITS WATER RATES AND CHARGES FOR  
UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01737A-12-0478

NOTICE OF ERRATA

On October 25, 2013, New River Utility Company filed its Initial Closing Brief (the "Closing Brief"). In reviewing the Closing Brief, counsel undersigned discovered a typographical error on page 21, line 10, which states "located in an area that Staff believes is zoned commercial." The word "not" was inadvertently omitted, and the phrase should read "located in an area that Staff believes is not zoned commercial." Accordingly, attached hereto as Attachment 1 is a replacement page 21 which includes the correction. Counsel undersigned apologizes for any confusion that this may have caused.

RESPECTFULLY submitted this 12<sup>th</sup> day of November, 2013.

BROWNSTEIN HYATT FARBER SCHRECK LLP

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Attorneys for New River Utility Company

ORIGINAL and thirteen (13) copies filed  
this 12<sup>th</sup> day of November, 2013, with:

Docket Control  
ARIZONA CORPORATION COMMISSION  
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Phoenix, Arizona 85007

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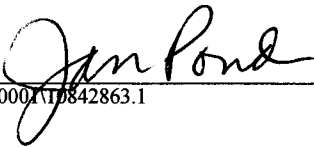
1 COPY of the foregoing hand-delivered  
2 this 12<sup>th</sup> day of November, 2013, to:

3 Lyn Farmer, Chief Administrative Law Judge  
4 Hearing Division  
5 ARIZONA CORPORATION COMMISSION  
6 1200 West Washington Street  
7 Phoenix, Arizona 85007

8 Steve Olea, Director  
9 Utilities Division  
10 ARIZONA CORPORATION COMMISSION  
11 1200 West Washington Street  
12 Phoenix, Arizona 85007

13 Janice M. Alward, Chief Counsel  
14 Legal Division  
15 ARIZONA CORPORATION COMMISSION  
16 1200 West Washington Street  
17 Phoenix, Arizona 85007

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# **ATTACHMENT 1**

1 testified in her Direct Testimony that Zillow.com provided a monthly rental price of \$1,950 for  
2 the Company's business office located at 7939 W. Deer Valley Road.<sup>73</sup> Ms. Brown testified at  
3 the hearing that she compared the rent amount provided by Zillow.com to "a Commission office  
4 located near downtown Phoenix and a water utility office located near downtown Tucson."<sup>74</sup>  
5 However, Ms. Brown did not provide any information such as the address, square footage or  
6 price-per-square-foot for either of these two buildings in her Direct Testimony or Surrebuttal  
7 Testimony, nor was she able to provide such information at the hearing.<sup>75</sup>

8 Ms. Brown also testified at the hearing that she did not know whether the New River  
9 business office is zoned commercial or residential.<sup>76</sup> Later, however, she testified that the New  
10 River business office is located in an area that Staff believes is not zoned commercial, as  
11 evidenced by the following exchange between counsel for New River and Ms. Brown:

12 Q. ... Does that indicate to you that Zillow does not appraise or does not  
13 provide estimates on commercial properties?

14 A. Yes. And Staff compared the amounts that it had recommended to the  
15 Pipeline Safety Office, which is similar to commercial property, and to the  
Ray Water Utility Company and compared to those it's reasonable.

16 And also, the house that was converted into [the New River] business  
17 office is not located in an area that Staff believes is zoned commercial,  
because it's right smack dab in the middle of a residential neighborhood.<sup>77</sup>

18 On September 30, 2013, New River filed the Affidavit of Ray L. Jones in Support of  
19 Late-Filed Exhibits. In his affidavit, Mr. Jones confirmed the zoning designation of the New  
20 River business office as commercial in paragraphs 6, 7, 8 and 11, stating as follows:

21 6. Attached hereto as Attachment 1 is a City of Peoria Zoning Map, Sheet  
22 No. 5-A ("Zoning Map 5-A"), which I printed from the City of Peoria's web site.  
23 On Zoning Map 5-A, I have highlighted with a rectangular red box the area  
24 including the New River business office, the shop that New River rents from  
Cody Farms, Inc., and the New River booster station.

25  
26 <sup>73</sup> Hearing Exhibit S-1 (Brown Direct) at 43, lines 10-11.

27 <sup>74</sup> Hearing Transcript Vol. II at 342, lines 15-18.

<sup>75</sup> Hearing Transcript Vol. II at 342-344.

<sup>76</sup> Hearing Transcript Vol. II at 347-348.

28 <sup>77</sup> Hearing Transcript Vol. II at 350, lines 2-12.